This record is a partial extract of the original cable. The full text of the original cable is not available.

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SIPDIS

SENSITIVE

USTR FOR LAURTE-ANN AGAMA

E.O. 12958: N/A

TAGS: EAGR ECON ETRD KIRC KPAO OILP GH WTRO SUBJECT: WTO DOHA ROUND ACTION PLAN: GHANA

# Summary

11. (SBU) In response to Reftels, Ambassador, Econoffs, and USAID/Ghana and USAID West Africa Regional Program (WARP) officers are working closely with the Ministry of Trade and Industry (MoTI) to prepare GoG representatives for the World Trade Organization (WTO) Ministerial in Hong Kong with training and multi-level discussions on USG and GoG positions. WARP -- through the West Africa Trade Hub -- sponsored training for African delegates to the Hong Kong Ministerial, including two from Ghana's MoTI. Econ and USAID-Ghana officers are raising USG points in a series of meetings with MoTI and other GoG officials, culminating with Ambassador's meeting with Trade Minister Alan Kyerematen prior to his departure for Hong Kong. End Summary.

### TRAINING FOR DELEGATES

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12. (U) WARP's West Africa Trade Hub sponsored training on the General Agreement on Trade and Services (GATS) at Nigeria's Federal Ministry of Commerce in Abuja November 21 through 25. Kwame Donkoh and Kwasi Nyame-Baafi of Ghana's MoTI attended the training. The session included general background information on the GATS, and culminated in a GATS negotiation simulation. Both Dokoh and Nyame-Baafi are slated to accompany Trade Minister Kyerematen to Hong Kong.

## INITIAL WORKING LEVEL MEETINGS

- 13. (U) Econ and USAID officers met with Acting MOTI Chief Director Seth Addo and Chief Commercial Officer Lawrence Sae-Brawusi to discuss the upcoming Hong Kong meeting. EconOff delivered Ref A points to clarify the U.S. Agriculture proposal. Addo and Sae-Brawusi declined to comment on the GoG's position, but expressed appreciation for the clarification and agreed to brief Minister Kyerematen on the U.S. proposal.
- 14. (U) According to Addo, Ghana intends to present its views along with other African WTO member states as a bloc in Hong Kong. He said Africa's stance on the competing U.S. and EU agriculture proposals should be clearer as African leaders reach consensus before leaving for Hong Kong. (Note: Addo commented that African countries were hammering out their positions over a series of meetings: the WTO Africa Group meeting in Switzerland, November 5-6, the Second Extraordinary MEeting of AU Trade Ministers in Tanzania, November 20-25, the ACP Trade Ministers' meeting in Brussels, November 29, and the G-90 Trade Ministers' meeting in Brussels on December 2. End Note). Sae-Brawusi elaborated on points he thought would come out of these meetings to form the Africa bloc's position:
- -- African countries support the elimination of all agricultural subsidies and want a definitive deadline in place. They are less certain about whether in-kind food aid constitutes a subsidy because a number of members rely on U.S. in-kind food aid. They support a more flexible interpretation, which could allow for a combination of local purchases and in-kind aid.
- -- The agreement reached last summer in Geneva known as the "July Package" allowed for "special products" to be designated for exemption from tariff reductions in order to protect domestic production to ensure food security, livelihood security, and rural development. African countries feel "special products" should be designated by member states, and not subject to WTO approval or ratification by other member states.
- -- The July Package refers to increased trade facilitation. African countries are eager to define this in terms of increased foreign assistance and will press for commitments from donors in Hong Kong. (Note: foreign donors are already supporting a major training program in Ghana related to trade facilitation, the "Trade Sector Support Program." USAID will provide approximately \$600,000 to this effort in 2006. End Note)

- -- The July Package extends the right to developing countries to employ safeguards against "import surges" to protect domestic agriculture producers. African countries would prefer not to discuss details of these safeguards until after the Hong Kong round is completed.
- -- African countries feel that a higher ceiling for industrial tariffs is their best defense against dumping. They feel that the burden of proof of dumping under  $\overline{\text{WTO}}$  rules places them at a disadvantage. They feel the freedom to increase these tariffs will deter dumping. Their negotiating point is one of "less than full reciprocity." In other words, developed nations should not be extended the same right to increase tariffs.

#### MOVING FORWARD

15. (U) Econ and USAID officers will follow up with Addo and Sae-Brawusi, as well as with other GoG officials at the Ministries of Agriculture and Finance, in preparation for Ambassador Bridgewater's December 7 meeting with Minister Ambassador Bridgewater's December / Meeting with Minister Kyerematen. The Ambassador will focus on urging GoG support for the U.S. proposal and defining the African position as clearly as possible. Post will report the outcome of the Kyerematen and other meetings, and will remain in contact with MoTI officials throughout the Hong Kong Ministerial.

16. (SBU) Although Addo and Sae-Brawusi effectively explained the African WTO positions, it was clear from the meeting that neither was familiar with the details of either the U.S. or EU proposals, despite Post's repeated demarches and diplomatic notes on the subject. Furthermore, neither appeared prepared to advise the Minister on any particular position, and expressed hope that the proposals could be "harmonized" by the U.S. and EU without them -- or Africa -- having to take sides. Nevertheless, Ambassador will press Kyerematen to give public support to the U.S. position, or at least provide a concrete GoG position prior to his departure for Hong Kong. END COMMENT. BRIDGEWATER